

IN A STATE OF WAR.

Relations Between Great Britain and Venezuela.

PREMIER BALFOUR EXPLAINS

Intimation of the Blockade Soon to Be Given to the Powers.

WILL STOP THE SHIPS OF NEUTRALS.

Attitude of the English Government Defined in a Long Statement to the House of Commons—German Foreign Office Vigorously Denies a Sensational Report—Feeling of Venezuelan Revolutionists.

London, Dec. 17.—In the course of a long statement in the house of commons Premier Balfour said there was no such thing as a "pacific blockade." A state of war actually existed with Venezuela, and an intimation of the blockade would shortly be given to the powers.

The premier also said the operations were reluctantly undertaken, not to recover debt but, after a long and patient delay, to recover compensation for assaults on British subjects and the seizure of British vessels. Mr. Balfour concluded his statement with saying he could make no announcement as to whether the offer of arbitration from Venezuela would be accepted by Great Britain.

Mr. Balfour added that the blockade would be carried out with as little inconvenience to neutrals as possible. Nothing definite had occurred with reference to the arbitration proposal since his previous statement on the subject.

Mr. Balfour's statement was made in reply to the desire of the Liberal leader, Sir Henry Campbell-Bannerman, for information on the Venezuelan situation. After reiterating Lord Lansdowne's brief statement in the house of lords, the premier continued: "The blockade will be carried out by Great Britain and Germany along different portions of the coast and though the two fleets will have the same objects they will not act as one force. We never had any intention of landing troops in Venezuela or of occupying territory even temporarily. We do not think it desirable on either military or other grounds. All the conditions governing such a blockade have been carefully considered and will be published in time for the information of neutrals. The government is most anxious that these operations, the necessity for which we deeply regret, should be as little inconvenient to neutrals as they can possibly be made. No difference will be made between the vessels of the various neutral powers. I think it is quite likely that the United States will think that there cannot be such a thing as a 'peaceful blockade,' and I, personally, take the same view. Evidently, a blockade involves a state of war."

Mr. Balfour said he believed that the Germans also had claims besides the financial ones.

Mr. Healy, Irish Nationalist, asked if the United States assented to a blockade which would exclude United States vessels. Mr. Balfour replied: "Neutrals are not consulted when you are in a state of war with a third party."

"Is war declared?" asked Mr. Healy. The premier replied:

"Does the honorable member suppose that without a state of war one can take vessels and have a blockade?" Replying to further questions, Mr. Balfour said he had nothing to add regarding arbitration beyond what was contained in his previous statement on the subject. Papers were being prepared and would be presented to the house as soon as possible. He assumed they would include the communications which had passed on the subject of the blockade between the United States and Great Britain.

GERMANY RESENTS

The Attempt to Represent the Kaiser as the Propelling Power.

Berlin, Dec. 17.—The foreign office secretary denies explicitly that the German squadron in Venezuelan waters has orders to seize Margarita island, adding that no occupation of the territory of Venezuela will occur. The foreign office officials allege that a systematic effort is apparently being made to represent Germany as

the propelling power in the coercion of Venezuela, and as being responsible for all the harsh measures. For instance, they say the bombardment of the forts at Porto Cabello is ascribed to German initiative, whereas the officials say without reservation that the bombardment was at the British commander's suggestion, the Topaz being the British ship, the German commander participating in the firing as a loyal ally. The German government is not insisting on more severe measures than the original plan contemplated, and regards the sinking of the two diminutive, wholly unseaworthy craft as an "insignificant incident."

The Berlin newspapers print from Kiel a statement that the German cruisers Ariadne, Amazon and Niobe are again being equipped for departure to Venezuela, but government officials say that no such orders have been given and that it will depend later upon the demands of the blockade whether additional vessels will be sent.

Revolutionists After Castro. Port of Spain, Dec. 17.—Senor Rojas, agent in this island of the Venezuelan revolutionists, denies the report that they have joined common cause with Castro against allies. On the contrary, according to reports received, the government troops under General Velutini have been twice defeated by the revolutionists, first at Guiria and second at El Chico, where they were completely routed and fled in disorder. Moreover it is reported from Alta Gracia that General Rolando at the head of 6,000 revolutionists, is marching on Caracas, with the object of capturing the city and overthrowing Castro.

Feeling in Italy. Rome, Dec. 17.—The announcement of the presentation of Italy's ultimatum to Venezuela was received here with general satisfaction. Apart from the desire to recover the claims of Italians, there has been long standing ill feeling between the two countries consequent on persistent hostility shown by the ruling clerical element in Venezuela against Italy because of the struggle between the vatican and the quiriinal. Premier Zanardelli and Foreign Minister Prinetti are discussing the measures to be adopted should the ultimatum not have the desired effect.

INADEQUATE The Allied Powers Consider Castro's Proposal For Arbitration.

Berlin, Dec. 17.—Germany considers that President Castro's proposal to arbitrate as inadequate, unaccompanied as it is, with guarantees to pay if the arbitrators decide against him and a reply in that sense has been or will be sent through Minister Bowen. Great Britain will make a similar answer. These statements are not made officially, but are derived from an excellent source.

Castro's Action Approved. New York, Dec. 17.—The consul general of Venezuela in this city received the following cablegram from Caracas: "Bankers, bar, commerce, society and clergy, constituted in committee, approve the government's attitude and offer President Castro their aid unreservedly. Torres Cardenas, secretary to the president."

Italian Minister Leaves.

Washington, Dec. 17.—A cablegram from Minister Bowen announced that the Italian minister at Caracas had requested him to take charge of Italian interests in Venezuela, which under the state department's instructions he was about to do, and the minister was leaving Caracas.

Noted Indian Warrior Dead.

Pendleton, Or., Dec. 17.—Five Crows, a noted Umatilla Indian chief, has been found dead near Athens. It is supposed that while intoxicated he fell off his pony and froze to death. He was 70 years old and distinguished himself in the Bannock war of 1878, by killing the famous Indian chief Egan of the Snake Indians. He betrayed Egan into the hands of the Umatillas, who were friendly to the whites and they cut off his head, carrying it in triumph to the United States troops. The Snakes were so enraged, that they gave battle to the troops on a plain and were so badly defeated that the invasion ended.

Railway Promotion.

Montreal, Dec. 17.—W. R. McInnes has been appointed freight traffic manager of the Canadian Pacific railroad, with offices at Montreal. Mr. McInnes was formerly assistant freight traffic manager of western lines, with offices at Winnipeg.

Barge Founders.

Cape Vincent, N. Y., Dec. 17.—The barge Stevenson of Ogdensburg, broke from her tow in the terrific gale on Lake Ontario, 10 miles west of here, and it is feared she has gone to the bottom with her crew of six.

DEWEY'S BIG FLEET

Washington Orders the Admiral to Keep It Intact.

COMPLICATIONS MAY ARISE.

Monroe Doctrine Must Not Be Violated an iota by the Allies.

ANOTHER NOTE SENT TO GERMANY.

American Government Anxious to Have the Attitude of the Kaiser Defined—Test of the Peaceful Blockade Likely to Be Made at an Early Date. Late Developments in South American Brouh.

Washington, Dec. 17.—Secretary Hay has cabled to Ambassador Tower at Berlin to ask the German government to define for this country exactly what is meant by a "peaceful blockade." The dispatch was couched in the suavest of diplomatic language, but it was insistent that Germany should reply. The inquiry was decided upon at the cabinet meeting, where it was discussed fully. Although it has not yet been put into public expression, this government contends that there is no such thing as a "peaceful blockade." If a state of war does exist, this government will contend, at the proper time, that United States ships must be allowed to pass. The test will come when the Red Line steamer Caracas arrives



ADMIRAL DEWEY.

at La Guayra, probably next Saturday. If that ship goes through, as it is expected it will, ships from other nations will also demand to go through and the "peaceful blockade" will become a farce. If Germany insists on its right to blockade peacefully and refuses to let any more ships through, Admiral Dewey's fleet will be sent to Venezuela to convoy American ships through the German and English lines.

Admiral Dewey has been told to keep his fleet together. The reason this government makes this demand of Germany is because it has in writing, in black and white, the fullest statement of Germany's intentions in Venezuela. It has no such statement from England. The diplomats of that country were shrewd enough to make only a verbal statement of intent. The administration is waiting Germany's answer with some anxiety. The situation is now more critical than it has been since the trouble began.

Senor Ojeda, the Spanish minister, and Baron Moncheur, the Belgian minister, has not received official advice relative to the joint note their governments have addressed to President Castro, asking that in the event of a settlement of the claim of the allied powers, Spain and Belgium be given similar treatment. The Spanish minister denies that there is the slightest probability of further action on the part of Spain unless events in Caracas make it necessary for the Spanish representative to withdraw. Minister Ojeda does not anticipate this, in view of the strong ties of friendship that exist between his government and the South American republics.

Mr. Bowen's position is realized to be one of extraordinary difficulty. He is now in charge of the interests of Great Britain, Germany, Italy and Holland, besides those of the United States and may be called upon to take charge of those of the remainder of the European countries, with the possible exception of France, which remains on pleasant relations with Venezuela.

All affectation is the attempt of poverty to appear rich.

STRIKE COMMISSION.

Fathers of Two of the Little Girls Who Toll at Night Testify.

Scranton, Pa., Dec. 17.—The miners put on the witness stand before the coal strike commission the fathers of two of the little girls who had testified on Monday that they worked all night in silk mills. The operators submitted wage statements showing that one of these men and his laborer received \$1,681, and the other and his laborer were paid \$1,400 last year. John Domke, father of one of the girls, said that four and sometimes six men figure in the division of the \$1,400. The other miner claimed that four men divided the \$1,681. Both men promised to take the girls out of the silk mill.

After the witnesses left the stand, Chairman Gray asked for an explanation from the Pennsylvania Coal company, which is controlled by the Erie road, regarding the wages of men. The wage mentioned by the company were handed to the commission some days ago and did not indicate that more than two persons figured in the distribution.

W. A. May, general manager of the Pennsylvania Coal company, was called to the witness stand and explained that because of the system in vogue in the company's mine, it would be difficult to show in every case, how many men shared in one pay. C. S. Darrow, for the miners, said the miners had no confidence in the figures submitted by the company, and added that the way they had been handed in was unfair.

The deputy factory inspector for the Scranton district was examined regarding child labor and said that 400 boys and 1,600 girls between the ages of 13 and 16 years are employed in the mills in this vicinity. Chairman Gray suggested that the Pennsylvania legislature be petitioned to improve the factory inspection laws regarding child labor.

The state mine inspectors then were called. They were unanimous in saying that mining companies in their district had no rules requiring miners to stay in the mines all day. Inspectors, in reply to questions asked by the commissioners, said they sometimes were accompanied by company officials and many times they visited the workings alone.

Operator's Side.

This concluded the case of the mine workers, and former Congressman Simon P. Wolverton, principal counsel for the Philadelphia and Reading Coal and Iron company, opened for the operators. He said in part:

"After the strike settlement of 1900 union men refused to work with non-union men, and there were over 100 strikes in one year in various parts of the region. During the recent strike of miners, men were prevented by violence from filling the strikers' places, mines were filled with water, and had it not been for the operators' strenuous efforts to keep pumps going, few miners would have been able to get work after the resumption. The powers of this commission are confined to the questions affecting the rates of wages paid and the hours of labor, and in way involves the question of recognition, or the entering into any agreement with that organization. The rate of wages in the anthracite region is not 40 or 50 per cent lower than the soft coal region, but actually higher. It will be shown that the average earnings of all employees of manufacturing establishments, covering 300 different classes, skilled and unskilled labor, is below the average earnings of the miners in the anthracite coal region."

Municipal Code Constitutional.

Columbus, O., Dec. 17.—The supreme court has upheld the constitutionality of the Nash code in passing upon questions raised in a Cincinnati case to test the validity of the law. The case was that of F. M. Zumstein against Michael Mullen and others, constituting the board of legislation. Zumstein's contentions were that the code was passed in an irregular manner, as it was declared a law when the legislature accepted the report of the conference committee, and that it was special legislation because of the flexibility of the form of government provided and the scope of the powers of council.

Costa Rica's Attitude.

San Jose, Costa Rica, Dec. 17.—The Costa Rican government will not discuss the Venezuelan situation, but it can be said on good authority the ministers favor President Castro's attitude. Public feeling here is bitter against the British and German action. The United States is much criticized and the Monroe doctrine is ridiculed. Finally President Castro is looked upon as setting a good example to Spanish-America.

Copenhagen, Dec. 17.—The German turret ship Wittelsbach is ashore near Kosver. The German warships Kaiser Wilhelm der Grosse and Prinz Heinrich have gone to her assistance.

MERGING OF RAILWAYS

Interstate Commission Sees Very Grave Necessity For Legislation.

COMPETITION ALL BUT OBLITERATED.

Reaffirms Its Recommendations For Amending the Commerce Law. Proceedings of the House and Senate.

Washington, Dec. 17.—The tendency to combine continues the most significant feature of railway development, according to the annual report of the interstate commerce commission. The report says: "It is not open to question that the competition between railroad carriers which formerly prevailed has been largely suppressed, or at least brought to the condition of effective restraint. The progress of consolidation in one form or another, will at no distant day confine this competition within narrow and unimportant limits because the control of most railway properties will be merged in a few individuals, whose common interests impel them to act in concert. While this will insure, as probably nothing else can in equal degree, the observance of published tariffs, and so measurably remove some evils which the act will be designated to prevent, the resulting situation involves consequences to the public which claim the most serious attention. A law which might have answered the purpose when competition was relied upon to secure reasonable rates is demonstrably inadequate when that competition is displaced by the most far reaching and powerful combinations. So great a change in conditions calls for a corresponding change in the regulating statute."

The commission reaffirms its recommendations for amending the interstate commerce law, and urges the grave necessity for legislation. The report says that the fact that no convictions have yet been obtained, nor indictments found in the cases of the roads which were shown by an investigation last winter to be giving secret rates to grain shippers, emphasizes the fact that the criminal provisions of the present interstate law are practically a dead letter.

Pension and Deficiency Bills Passed.

Washington, Dec. 17.—Immediately after the senate convened, Mr. Hale (Me.) called up the urgent deficiency bill and it was passed without discussion. It carries an appropriation of \$1,140,400, including \$500,000 to suppress the foot and mouth disease. Mr. Hale stated that it was evident that no business will be transacted until after the holiday adjournment and on his motion it was agreed that the senate adjourn until Saturday. Mr. Morgan (Ala.) gave notice that on Saturday he would address the senate regarding the construction of an isthmian canal. Mr. Gallinger (N. H.) reported the pension appropriation bill, which was passed without division. It carries \$139,897,000, and is the first of the regular appropriation bills to be passed by the senate at this session. The senate then resumed consideration of the militia bill.

In the House.

Washington, Dec. 17.—When the house convened, a bill was passed to extend the act of June 6, 1900, which authorizes the sale of stone and timber for use in the Indian territory so as to provide for its sale to railroads, parts of whose lines are in the territory. The speaker laid before the house a letter from Governor Smith of Maryland, notifying the house of the presentation by the state of Maryland of the statues of Charles Carroll of Carrollton, one of the signers of the Declaration of Independence, and John Hansen, president of the Continental congress. These statues are now in statutory hall. A resolution was adopted settling aside Jan. 31, after 3 p. m., for the exercises in connection with the acceptance of these statues. The house then resumed the consideration of the legislative appropriation bill.

Cuban Reciprocity Treaty.

Washington, Dec. 17.—The president sent to the senate the reciprocity treaty recently negotiated between the United States and Cuba. The treaty was received by the senate in executive session and was referred to the committee on foreign relations without being read. It is stated that the treaty does not concern the disposition of the Isle of Pines.

Man and Money Missing.

Berlin, Dec. 17.—The Darmstadter bank has been defrauded of \$175,000, owing to false entries in the books on the part of a bookkeeper, Nessler, who had charge of the deposits. Nessler has been missing since Sunday.